

# **VIRGINIA MANUFACTURED HOUSING BOARD MEETING**

Thursday, December 3, 2015

Moseley Architects  
3200 Norfolk Street  
Richmond, VA 23230

## **Members Present**

Mr. Ben Flores, Chairman  
Mr. Walter Cleaton  
Mr. Allen W. Dudley  
Mr. James W. Roncaglione  
Mr. Dennis Jones  
Mr. David C. Bridges  
Ms. Shawna J. Cheney

## **Staff Present**

Cindy Davis  
Lorenzo Dyer  
Alan McMahan  
Justin Bell, OAG  
Jane Terry

## **Members Absent**

Mr. Jim Carver  
Cindy Tomlin

## **Visitors to Address the Board**

Tyler Craddock – VAMMHA  
Walter Hughes - Former Board-member  
Mr. and Mrs. Gerald Henson  
Mr. Terry Hughes-Fleetwood Homes of VA  
Steve Collins-Fleetwood Homes of VA.

The meeting of the Virginia Manufactured Housing Board was called to order by Chairman Ben Flores at approximately 10:15 a.m. A Quorum was present.

There was a motion made to approve the minutes from the March 19, 2015 meeting. The motion was made by Mr. Jones and seconded by Mr. Dudley. The motion passed by unanimous vote.

There were no Public Comments.

There were no Committee Reports.

A motion was made to move the Agenda. The motion was made by Mr. Bridges and seconded by Ms. Cheney. The motion was passed by unanimous vote.

Case D-2015-03 Gerald Henson v Fleetwood Homes of Virginia, Inc. and Franklin Mobile Home Sales, Inc. was moved on the Agenda to be heard. Board member Mr. Jones is a manufacturer representative employed by Fleetwood Homes of Virginia, Inc. He recused himself from the case hearing.

Mr. Flores asked if there were any additional documents for the board. There were none.

All persons who were providing testimony in the case D-2015-03 were sworn in.

General discussion was held relative to the events that had transpired. Mr. Roncaglioni questioned the validity of the case due to a lack of a completed contract. Staff opined that it was

not within staff's authority to make a determination whether or not a case should come before the Board and that only the Board could make that determination.

Mr. Bridges asked Mr. & Mrs. Henson for documentation of their total out of pocket expenses in addition to the cost of the manufactured home that was already paid. Ms. Henson gave copies of receipts that had not been totaled.

A motion was made by Mr. Roncaglione and seconded by Mr. Cleaton to adjourn to executive session to discuss the Henson case. The motion was passed by unanimous vote.

Mr. Roncaglione made a motion to close the Executive Session after completion of the discussion of the Henson case. The motion was seconded by Mr. Cleaton and was passed by unanimous vote.

Everyone was brought back into the hearing room.

Chairman Flores thanked everyone for their patience. He addressed the Henson's and asked if they would be willing to get this home fixed into a 3 bedroom 2 bath mobile home, and have the red walls painted some other color.

Mr. Henson answered if they could have the closet in each bedroom and reimbursement payment for their expenses they would be willing to allow the home to be corrected.

Mr. Roncaglione asked if they would be willing to let people in to do repairs or alterations to the home. In further discussion, it was stated that Franklin Mobile Home Sales was paid for the trim out and are still accountable to complete the trim out.

Chairman Flores addressed Fleetwood. Fleetwood agreed to Items 2, 3, & 4 in the letter from Mr. Louie Jones on August 24, 2015 (Tab. 6, page 69 in board packet). Mr. Henson paid Franklin Mobile Homes for trim out. This will be a matter that Franklin Mobile Homes will complete.

Chairman Flores broke down the settlement into repairs to the home for \$6,000.00; and \$6,280.00 in reimbursable living expenses; and \$1,220.00 for cosmetic repairs. Franklin Mobile Homes is ordered to pay Mr. & Mrs. Henson a total of \$13,500.00.

Mr. Bridges made a motion that Franklin Mobile Home Sales be found in violation of the following Regulation:

- a. **6-20-80 (E)** On each home sold by the dealer, the dealer shall collect the applicable title fees and title tax for the manufactured home, to include an additional \$30.00 inspection/administrative fee, and forward such fees and taxes to the Virginia Department of Motor Vehicles.

- b. **6-20-170 (A)(6)** Failing to comply with the set-up and tie-down requirements of the Code.
- c. **6-20-170 (A)(7)** Knowingly failing or refusing to account for or pay over money or other valuables belonging to others which have come into the regulant's possession due to the sale of a manufactured home.
- d. **6-20-170 (A)(10)** Defrauding any buyer to the buyer's damage and any other person in the conduct of the regulant's business.
- e. **6-20-170 (A)(11)** Employing an unlicensed salesperson.

It was stated in the motion that a disciplinary fine of \$2,500.00 accompanies each violation cited against the regulant. The motion further stipulated that if the money is not paid by the regulant as ordered by the Board, upon receipt of a proper request for payment from the claimant, the money will be paid to the claimant from the Transaction Recovery Fund. Mr. Dudley seconded the motion and the motion was carried by unanimous vote.

It was stated by the Board, any further damages by contractors or physical problems of the mobile home will warrant a separate complaint. The Board made the decision that an On-site Investigation be conducted to determine the present overall general condition of the home. That Investigation Report information would be made part of the Final Order.

Franklin Mobile Homes Sales, Inc. must be notified that they are to provide the Certificate of Origin to the owner; and the owner is then responsible for titling the home and paying taxes to DMV.

A letter will be addressed to the Department of Social Services regarding the VAMHB hearing the case concerning the situations with the Henson's manufactured home; and is trying to resolve the issue regarding their home. The letter will be drafted upon receipt of the contact information from the claimant.

With no further discussion the case was closed and the parties left the hearing room.

Report of the Secretary and Deputy Director. The balance sheet for the Transaction Recovery Fund was distributed to the members of the VAMHB.

Cindy Davis, Deputy Director of the Building and Fire Regulations stated that a NOIRA would be filed for the 2015 Code Cycle and suggested that the Board may want to consider changes to the regulations to cover some areas that could use clarification. Some of the suggested changes are based on cases and issues that have come before the Board, are due to new technology in the sale of manufactured homes including internet sales; and some Board members have raised questions regarding consumer protection such as allowing two sales before requiring a license. A time will be scheduled early next year for a full day workshop to review the regulations.

An e-mail was sent to Manufactured Home Dealers and Brokers regarding the changes to the DMV process for obtaining their dealer certificates.

Kris Bridges stated that we need training for consumers.

Justin Bell stated that the Attorney General is working on a public announcement campaign to help consumers. These resources could also be helpful to the Manufactured Home consumers. Tyler Craddock and VAMMHA may be helpful in educating consumers.

Ms. Davis stated that she will be interviewing for the State Building Code Office Director position next week and would likely have someone on board by end of January or early February, 2016.

New Business: Chairman Flores asked if everyone had reviewed the Salesperson License Application for Kevin Hartzler.

Mr. Hartzler was found guilty of a felony before 1991. He has satisfied the terms of his sentence and Governor of Virginia Robert McDonnell restored his rights for the four (4) indictments of (2) breaking and entering and (2) larceny convictions on June 3, 2011. In the Board's discussion it was noted that the applicant is already working and there is no explanation as to why he failed to appear before the Board today. His license is contingent upon his continuous employment and a dealer approval.

Kris Bridges made a motion the application be approved contingent on the applicant's continuous employment since the application was submitted. Mr. Dudley seconded the motion. The motion was passed with Mr. Cleaton voting against.

The next meeting date of the VAMHB is scheduled for Thursday, February 18, 2016.

The meeting was adjourned at 3:15 p.m.